



Senate

General Assembly

File No. 462

February Session, 2014

Substitute Senate Bill No. 470

Senate, April 9, 2014

The Committee on Finance, Revenue and Bonding reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING A STUDY OF THE ADMINISTRATIVE COSTS
TO COLLECT TAXES AND FEES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (*Effective July 1, 2014*) (a) The Commissioner of Revenue
2 Services shall conduct a study to examine the administrative costs of
3 collecting and enforcing the taxes levied in the state. Such study shall
4 include, but need not be limited to, (1) a listing of all taxes levied and
5 the revenues raised by each tax, (2) estimates of the percentage of tax
6 revenue owed but unpaid on each tax, and (3) a breakdown by tax of
7 the costs to the Department of Revenue Services for (A) staff guidance
8 to the public in remitting tax, (B) collection of the tax, (C) enforcement
9 efforts, and (D) other staff responsibilities concerning each tax.
- 10 (b) Not later than January 1, 2015, the commissioner shall submit a
11 report, in accordance with the provisions of section 11-4a of the general
12 statutes, to the joint standing committee of the General Assembly
13 having cognizance of matters relating to finance and revenue. Such

14 report shall include (1) an analysis of the administrative costs of each
15 tax relative to the revenues raised, and (2) recommendations for
16 statutory changes to increase administrative efficiencies, including
17 modification or repeal of certain taxes.

18 Sec. 2. (*Effective July 1, 2014*) (a) Each state agency that is authorized
19 by the general statutes to charge any fee shall conduct a study to
20 examine the administrative costs of collecting such fee. Such study
21 shall include, but need not be limited to, (1) a listing of all fees charged
22 and the revenues raised by each fee, and (2) a breakdown by fee of the
23 costs to each state agency for (A) staff guidance to the public in paying
24 the fee, (B) collection of the fee, (C) enforcement efforts, and (D) other
25 staff responsibilities concerning each fee.

26 (b) Not later than January 1, 2015, each department head, as defined
27 in section 4-5 of the general statutes, shall submit a report, in
28 accordance with the provisions of section 11-4a of the general statutes,
29 to the joint standing committee of the General Assembly having
30 cognizance of matters relating to finance and revenue. Such report
31 shall include (1) an analysis of the administrative costs of each fee
32 relative to the revenues raised, and (2) recommendations for statutory
33 changes to increase administrative efficiencies, including modification
34 or repeal of certain fees.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2014</i>	New section
Sec. 2	<i>July 1, 2014</i>	New section

FIN *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill requires the Department of Revenue Services (DRS) to study the administrative costs of collecting and enforcing each state tax. The bill also requires each state agency that charges a fee to study the administrative costs of collecting such fee.

This bill has no fiscal impact as DRS and other state agencies currently have the staff expertise to conduct a study of the administrative costs of collecting and enforcing taxes and fees.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis

sSB 470

***AN ACT CONCERNING A STUDY OF THE ADMINISTRATIVE
COSTS TO COLLECT TAXES AND FEES.***

SUMMARY:

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 50 Nay 0 (03/25/2014)